# HOLD PUBLIC HEARING AND ADOPT RESOLUTION ESTABLISHING AN UNDERGROUND UTILITY DISTRICT ON CRYSTAL SPRINGS ROAD BETWEEN CUNNINGHAM WAY AND EL CAMINO REAL

City Council February 25, 2020

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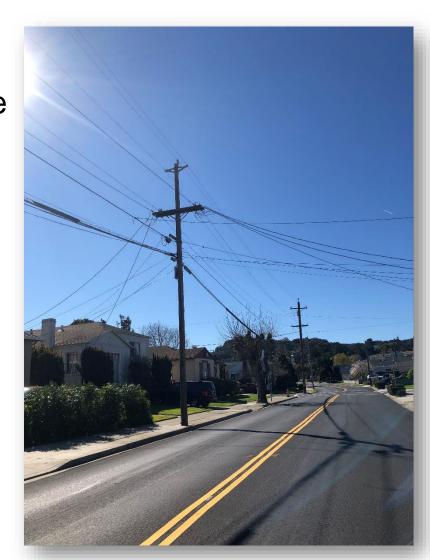


#### Objective

- Hold public hearing and adopt resolution establishing an underground utility district on Crystal Springs Road between Cunningham Way and El Camino Real
- Provide information on Rule 20A
- Receive comments from public

#### Agenda

- Background of Rule 20A
- II. Why Are We Discussing Rule 20A?
- III. City's Completed Rule 20A Projects
- IV. Rule 20A Requirements
- V. Proposed Undergrounding Districts
- VI. Rule 20A Status
- VII. Crystal Springs Road
  Underground Utility District
- VIII. Next Steps



#### Background of Rule 20A

- Since 1967, underground conversion in the State of California has been performed under California Public Utility Commission (CPUC) Rule 20 (Parts A, B and C)
- Rule 20A is funded by PG&E
- PG&E allocates Rule 20A work credits to communities for financing of overhead electric infrastructure to underground infrastructure
  - Undergrounding of distribution lines in neighborhood
  - Based on formula to distribute work credits proportionally on the number of customer accounts (Approx. \$150,000)

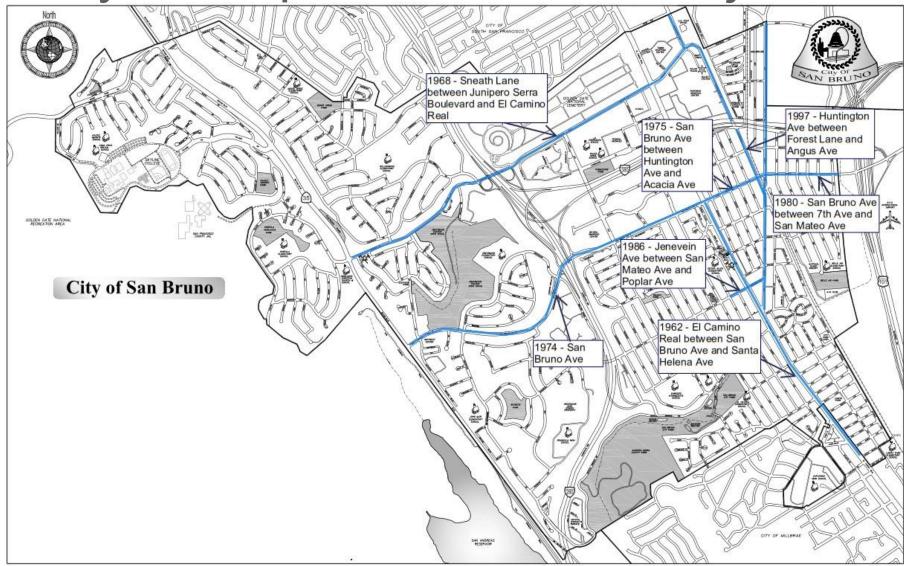
#### Background of Rule 20A Continued

- Purpose of undergrounding the utilities:
  - Enhanced aesthetics
  - Improved service reliability
  - Greater public safety
- City Municipal Code Chapter 8.28 (Underground Utilities Facilities)
- City must identify project in the public interest and pass a resolution forming an underground district
- City may use the accrued Rule 20A work credits to underground facilities
- City may borrow forward future work credit allocations for a maximum of five years from PG&E

### Why Are We Discussing Rule 20A?

- CPUC passed Resolution E-4971 which will transfer Rule 20A work credits from inactive cities to City of Live Oak
- PG&E to reallocate \$554,000 of unused work credits from communities that have not participated in the Rule 20A program over the past eight years to the City of Live Oak
- Estimated transfer of \$29,272 from San Bruno
- To avoid the transfer, the City has until March 11, 2020 to become active. Must satisfy the following:
  - 1. Formally adopt an undergrounding district; or
  - 2. Started or completed construction of an undergrounding conversion project within the last 8 years, defined as 2011 or later; or
  - 3. Received Rule 20A allocations from the utility for only 5 years or fewer due to recent incorporation.

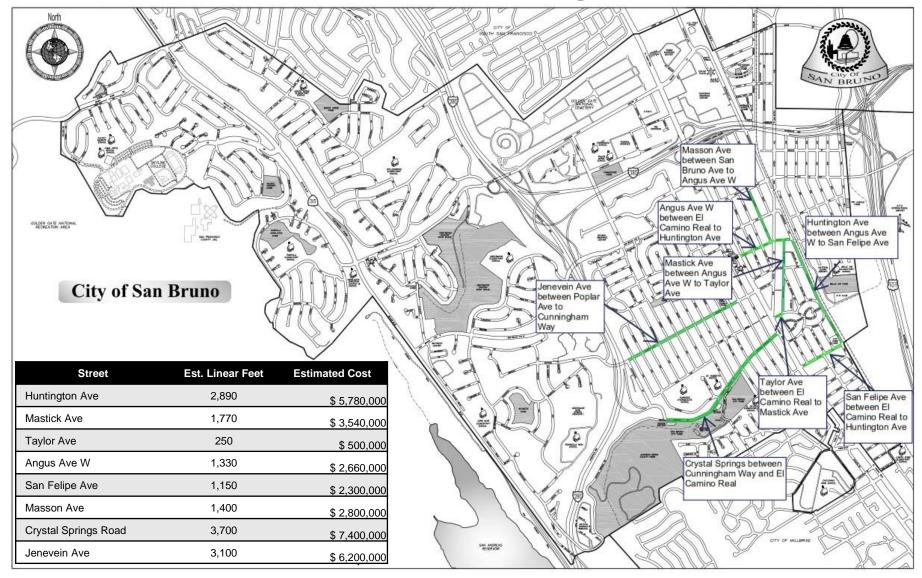
#### City's Completed Rule 20A Projects



#### Rule 20A Requirements

- The undergrounding district must be in the general public interest for one or more of the following reasons:
  - 1. Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities;
  - The street, road or right-of-way is extensively used by the General Public and carries a heavy volume of pedestrian or vehicle traffic;
  - 3. The street, road or right-of-way adjoins or passes through a civic area, public recreation area or an area of unusual scenic interest to the public;
  - 4. The street, road or right-of-way is considered an arterial street or major collector as defined in the Governor's Office of Planning and Research General Plan Guidelines.

#### Proposed Rule 20A Underground Districts



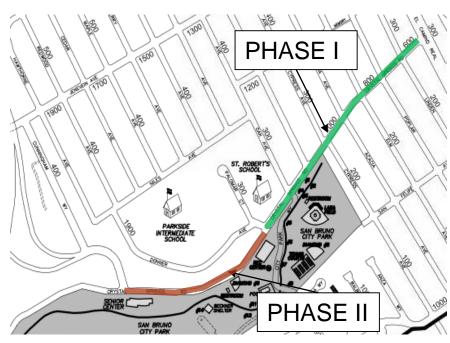
#### Rule 20A Status

 As of November 30, 2019, the City has 6,114,211 of Rule 20A Work Credits

Work Credit Status for City of San Bruno	
Account Balance as of 11/30/19	\$6,114,221
2019 Allocation	\$149,908
Work Credit Reallocation to City of Live Oak	\$(29,272)
Project(s) Deducted from Account Balance	0
Projected Account Balance for 3/11/20	\$6,084,949

## Crystal Springs Road Underground Utility District

- Meets all of PG&E's criteria
  - Heavy electric facilities
  - Heavy ped and vehicle traffic
  - Adjoins public recreation area
  - Arterial street
- Approximately 3,700 ft.
- Total cost: \$7,400,000
- Crystal Springs Road between Cunningham Way and El Camino Real
  - Phase I El Camino Real to Donner Ave
  - Phase II Donner Ave to Cunningham Way







#### Next Steps

- Execute Rule 20A General Conditions Agreement with PG&E
- Coordinate with PG&E and other utility agencies
- Issue Request for Proposal (RFP) for design services
- Bid project for construction services

#### **QUESTIONS?**

